# STATE OF MONTANA DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION BOARD OF OIL AND GAS CONSERVATION HELENA, MONTANA

CONSERVATION AND PREVENTION )
OF WASTE OF OIL AND GAS )

NOTICE OF PUBLIC HEARING

The Board of Oil and Gas Conservation will hold a business meeting at 2:00 p.m., Wednesday, October 25, 2000, at its office located at 2535 St. Johns Avenue, Billings, Montana. The agenda for that meeting is:

- 1. Call to order
- 2. Approval of minutes of August 30, 2000, business meeting
- 3. Opportunity for public comment
- 4. Bond report
- 5. Financial report
- 6. 2001 hearing schedule
- 7. Form Approval
- 8. Ron Sannes Progress report and fine resolution
- 9. Sherman Holt Requests
- 10. Shut-in Well Update
- 11. Staff reports

The Board will conduct public hearings pursuant to Chapter 11 of Title 82 of the Montana Code Annotated on the matters described below beginning at 8:00 a.m., Thursday, October 26, 2000, in the Billings Petroleum Club, Sheraton Hotel, Billings, Montana. At the close of docketed hearings, the Board will hold a public hearing on proposed rule changes to ARM 36.22.302 through 36.22.1706. For more information or to request accommodation for a disability, please contact Terri Perrigo at (406) 444-6675 or Tom Richmond at (406) 656-0040 as soon as possible before the scheduled hearing.

Docket No. 144-2000

#### APPLICANT: LYCO ENERGY CORPORATION - RICHLAND COUNTY, MONTANA

Upon the application of **LYCO ENERGY CORPORATION** to delineate Section 36, T25N-R54E, Richland County, Montana, as a field and permanent spacing unit for production of oil and associated natural gas from the Bakken Formation and authorizing up to two horizontal wells to be located anywhere within said spacing unit but not closer than 660 feet to the spacing unit boundaries.

Docket No. 145-2000

#### APPLICANT: BURLINGTON RESOURCES OIL & GAS COMPANY - FALLON COUNTY, MONTANA

Upon the application of **BURLINGTON RESOURCES OIL & GAS COMPANY** to convert its East Lookout Butte Unit #12-36 well in Section 36, T7N-R60E and its East Lookout Butte Unit #14-25 well located in Section 25, T7N-R60E both in Fallon County, Montana, to water disposal wells for the purpose of water disposal into the Dakota/Swift Formation (12-36 well) and the Lodgepole/Fossil Bank Formation (14-25 well). Applicant is also requesting an aquifer exemption as to the Dakota/Swift Formation.

Docket No. 146-2000

#### APPLICANT: BURLINGTON RESOURCES OIL & GAS COMPANY - FALLON COUNTY, MONTANA

Upon the Board's own motion to review all undrilled permanent Red River spacing units in the Windy Ridge Area established by Board Order 121-97. That order, which was adopted October 30, 1997, states "this Board will review all undrilled spacing units established by this Order three (3) years from the date hereof to determine if they should continue to be designated as permanent spacing units."

Docket No. 147-2000

#### APPLICANT: KLABZUBA OIL & GAS, INC. - BLAINE COUNTY, MONTANA

Upon the application of **KLABZUBA OIL & GAS, INC.** to drill a gas well at a location 1800 FSL and 1300 FEL of Section 31, T34N-R19E, Blaine County, Montana, with a 75 foot tolerance in any direction for topographical reasons as an exception to ARM 36.22.702.

Docket No. 148-2000

#### APPLICANT: FLYING J OIL & GAS INC. - RICHLAND COUNTY, MONTANA

Upon the application of **FLYING J OIL & GAS INC.** to approve its Vaira B-3 well located in Section 35, T25N-R54E, Richland County, Montana, as a salt water disposal well to replace its previously approved Vaira B-1 well in said Section 35.

Docket No. 149-2000

# APPLICANT: XENO, INC. - BLAINE COUNTY, MONTANA

Upon the application of **XENO**, **INC**. to designate Sections 8, 16, 17 and 21 of T35N-R19E, Blaine County, Montana, as permanent spacing units for production of gas from all zones or formations from the surface to the top of the Mowry Formation.

Docket No. 150-2000

#### APPLICANT: BERCO RESOURCES, LLC - SHERIDAN COUNTY, MONTANA

Upon the application of **BERCO RESOURCES, LLC** to convert its Brekke #1 well in Section 1, T33N-R55E, Sheridan County, Montana, to a salt water disposal well to dispose of produced water from its operations in Sheridan County, Montana, into the Dakota Formation at a depth of 4002-4526 feet.

Docket No. 151-2000

# APPLICANT: <u>HEADINGTON OIL</u>, <u>LIMITED PARTNERSHIP - RICHLAND COUNTY</u>, <u>MONTANA</u>

Upon the application of **HEADINGTON OIL, LIMITED PARTNERSHIP** to designate the E½ of Section 28, T24N-R57E, Richland County, Montana, as a permanent spacing unit for production of oil and associated natural gas from the Bakken Formation and to allow production from its Franz-Albin #31X-28 well as a second Bakken Formation

Docket No. 152-2000

#### APPLICANT: HEADINGTON OIL, LIMITED PARTNERSHIP - RICHLAND COUNTY, MONTANA

Upon the application of **HEADINGTON OIL**, **LIMITED PARTNERSHIP** to amend the Brorson Field rules established by Board Order 27-68 to create a temporary spacing unit comprised of the W½ of Section 5, T23N-R58E, Richland County, Montana, to drill a horizontal well in the Madison Group of formations and to create a temporary spacing unit comprised of the NW¼ of said Section 5 with respect to all zones and formations below 11,000 feet except for the Red River Formation. Applicant's proposed horizontal well is planned to be not closer than 660 feet to the exterior boundaries of the proposed temporary spacing unit.

Docket No. 153-2000

#### APPLICANT: HEADINGTON OIL, LIMITED PARTNERSHIP - RICHLAND COUNTY, MONTANA

Upon the application of **HEADINGTON OIL, LIMITED PARTNERSHIP** to amend Board Order 19-82 to remove the NE¼ of Section 31, T26N-R55E, Richland County, Montana, from the Stampede Field and to create a temporary spacing unit comprised of the NE¼ of Section 31 and the NW¼ of Section 32, T26N-R55E, Richland County, Montana, for the drilling of a horizontal well to the Red River Formation, said well to be located anywhere within the temporary spacing unit but not closer than 330 feet to the boundaries thereof.

Docket No. 154-2000

#### APPLICANT: CONTINENTAL RESOURCES, INC. - FALLON COUNTY, MONTANA

Upon the Board's own motion to determine if the West Cedar Hills Unit established by Board Order 31-2000 has been approved by those persons who, under the Board's Order, will be required to pay at least 80 percent of the costs of the Unit operations. The operator of said Unit, **CONTINENTAL RESOURCES, INC.**, has excluded a substantial interest-owner in said Unit in calculating its 80 percent because that working interest owner did not sign the proposed Unit Operating Agreement and elected to be carried under the terms of Section 82-11-206 (5), MCA. All interested parties are invited to express their views on this question. Those planning to file written briefs on this question are asked to submit those briefs to the Board's Helena office not later than October 20, 2000.

Docket No. 155-2000

# APPLICANT: REDSTONE GAS PARTNERS, LLC - BIG HORN COUNTY, MONTANA

Upon the application of **REDSTONE GAS PARTNERS, LLC** to establish permanent spacing units within the CX Field in Big Horn County, Montana, in accordance with the provisions of Board Order 108-97 which established temporary spacing units for said field and required applicant to apply for permanent spacing one year after the date of first production from this field. Applicant requests that the temporary spacing units established by said Board Order be designated and established as permanent spacing units.

Docket No. 156-2000

# APPLICANT: ENCORE OPERATING, L.P. – DAWSON, PRAIRIE, WIBAUX AND FALLON COUNTIES, MONTANA

Upon the application of **ENCORE OPERATING, L.P.** for a Class II Area Injection permit in the Pine Unit, which is comprised of the following described lands:

#### **DAWSON COUNTY, MONTANA**

#### T13N-R55E

Section 11: SE¼NE¼, S½N½NE¼, N½N½NE¼, N½SW¼NE¼, SE¼SW¼NE¼ &

Section 11: NE¼SE¼, NE¼SE¼SE¼, NE¼NE¼NW¼ &

Section 12: SW¼, S½NW¼, S½ NW¼NW¼, SW¼NE¼NW¼, W½SW¼NE¼, NW¼SE¼, W½SW¼ SE¼, N½ NW¼NW¼, NW¼NE¼NW¼, SE¼NE¼NW¼ &

Section 13: E½NW¼, E½NW¼NW¼, NW¼NW¼NW¼, NE¼SW¼NW¼, W½NW¼NE¼, SE¼NW¼NE¼, SW¼NE¼, W½SE¼NE¼, SE¼SE¼NE¼, E½NE¼SW¼, NW¼NE¼SW¼, NE¼SE¼SW¼, SE¼ & Section 24: NE¼NW¼NE¼, NE¼NE¼, N½SE¼NE¼, SE¼SE¼NE¼;

#### T13N-R56E

Section 18: SW1/4SE1/4SW1/4 &

Section 18: W1/2 of Lot 3, Lot 4 &

Section 19: Lots 1, 2, 3, NW¼ of Lot 4, E½ of Lot 4, E½W½, SW¼NW¼NE¼, SW¼NE¼, S½SE¼NE¼, SE¼ & Section 20: NE¼SW¼, W½SW¼, SE¼SW¼, SW¼SW¼NW¼

#### PRAIRIE COUNTY, MONTANA

#### T 13N-R56E

Section 28: S½SW¼, S½NW¼SW¼, SW¼NE¼SW¼ &

Section 29: W½, W½E½, E½SE¼, SE¼NE¼, SW¼NE¼NE¼ &

Section 30: NE¼ of Lot 1, NE¼, NE¼NW¼, E½SE¼NW¼, E½SE¼, N½NW¼SE¼, SE¼NW¼SE¼, E½SW¼ SE¼ &

Section 31: NE1/4NE1/4NE1/4 &

Section 32: N½, NE¼SW¼, E½NW¼SW¼, N½SE¼SW¼, NW¼SE¼, NW¼NE¼SE¼ &

Section 33: NW¼NW¼, N½SW¼NW¼, W½NE¼NW¼, NE¼NE¼NW¼

#### T 12N-R56E

Section 1: S½SW¼SW¼, NW¼SW¼SW¼, SW¼NW¼SW¼ &

Section 2: SW¼ of Lot 8, N½ of Lot 9, SW¼ of Lot 9, Lot 10, Lot 11, S½ of Lot 12, SE¼, N½SW¼, SE¼SW¼, NW¼SW¼SW¼, E½SW¼SW¼ &

Section 11: NW¼NE¼NW¼, E½NE¼NW¼, N½NE¼, SE¼NE¼, N½SW¼NE¼, NE¼NE¼SE¼ & Section 12: W½NW¼, W½E½NW¼, N½SW¼, SE¼SW¼, E½SW¼SW¼, S½SW¼SE¼, NW¼SW¼SE¼ & Section 13: E½NW¼, E½NE¼SW¼, E½NW¼NW¼, S½NE¼, N½SE¼, N½S½SE¼, SE¼SW¼SE¼, S½SE¼ SE¼ & S½SE¼ SE¼ &

Section 24: E½NE¼NE¼, NW¼NE¼NE¼, NE¼SE¼NE¼

#### **WIBAUX COUNTY, MONTANA**

#### T11N-R57E

Section 2: S1/2SE1/4SE1/4 &

Section 3: S½SW¼, SW¼SW¼NW¼, S½NE¼SW¼, S½SE¼SE¼, NW¼SW¼, SW¼SE¼ & Section 4: SW¼ of Lot 1, Lot 2, Lot 3, Lot 4, S½, S½N½ &

Section 5: Lots 1, 2, 3, NE¼ of Lot 4, S½NE¼, NE¼ SE¼NW¼, NE¼SE¼, NW¼SE¼SE¼, E½SE¼SE¼, E½NW¼SE¼, NW¼NW¼SE¼ &

Section 8: E½E½NE¼ &

Section 9: All except W1/2SW1/4SW1/4 &

Section 10: SW1/4, N1/2, SE1/4 &

Section 11: NE¼NE¼, NE¼NW¼NE¼, S½NW¼NE¼, SW¼NE¼, NW¼SE¼NE¼, S½SE¼NE¼, S½NE¼NW¼, NW¼NW¼, S½NW¼, S½ &

Section 12: W½NW¼SW¼, SW¼SW¼ &

Section 13: W½W½, SW¼NE¼NW¼, W½SE¼NW¼, NW¼NE¼SW¼, S½NE¼SW¼, SE¼SW¼ & Section 14: SW¼, N½, SE¼ &

Section 15: All &

Section 16: NE4, N4SE4, SE4SE4, NE4NW4, E2SE4 NW4, E2NE4SW4, N2SW4SE4, SE4SW4SE4

Section 21: NW1/4NE1/4NE1/4, E1/2NE1/4NE1/4 &

Section 22: NE¼, NW¼NW¼, NE¼SW¼NW¼, E½NW¼, NE¼SW¼, E½SE¼SW¼, SE¼ &

Section 23: All &

Section 24: W½W½NE¼, SE¼SW¼NE¼, SW¼NE¼SE¼, W½, W½SE¼, SE¼SE¼ &

Section 35: N½NE¼NE¼ &

#### T 12N-R57E

Section 18: W1/2 of Lot 4, SE1/4 of Lot 4, S1/2 SE1/4 SW1/4 &

Section 19: Lots 1, 2, E½NW¼, E½ of Lots 3, 4, E½SW¼, SW¼NE¼, S½SE¼NE¼, NW¼SE¼NE¼, W½NW¼ NE¼, SE¼NW¼NE¼, SE¼ &

Section 20: SE¼SW¼, W½SW¼, SW¼SW¼NW¼, SW¼NE¼SW¼ &

Section 29: W½, SW¼SW¼NE¼, SW¼SE¼, S½NW¼SE¼, NW¼NW¼SE¼, SW¼SE¼SE¼ &

Section 30: E½NE¼, NE¼NW¼, NE¼SE¼NW¼, NW¼SE¼, E½SE¼, N½SW¼SE¼, SE¼SW¼SE¼, W½NE¼

&

Section 31: E½NW¼NE¼, E½NE¼, E½NE¼SE¼ &

Section 32: NW¼, E½SW¼, W½NE¼, SE¼NE¼, E½SE¼, W½NE¼NE¼, W½SW¼, W½SE¼ & Section 33: SW¼SW¼, W½SE¼SW¼, SE¼SE¼SW¼, SW¼NW¼SW¼

#### **FALLON COUNTY, MONTANA**

#### T11N-R57E

Section 25: All &

 $Section \ 26: \ N\frac{1}{2}NW\frac{1}{4}, \ SE\frac{1}{4}NW\frac{1}{4}, \ NE\frac{1}{4}, \ SW\frac{1}{4}NW\frac{1}{4}, \ NW\frac{1}{4}NW\frac{1}{4}SW\frac{1}{4}, \ NE\frac{1}{4}SW\frac{1}{4}, \ E\frac{1}{2}NW\frac{1}{4}SW\frac{1}{4}, \ NW\frac{1}{4}NW\frac{1}{4}SW\frac{1}{4}, \ NW\frac{1}{4}NW\frac{1}{4}SW\frac{1}{4}, \ NW\frac{1}{4}NW\frac{1}{4}SW\frac{1}{4}, \ NW\frac{1}{4}SW\frac{1}{4}, \ NW\frac{1}{4}SW\frac{1$ 

NE¼SE¼ SW¼, N½SE¼, N½S½SE¼, S½SE¼SE¼, SE¼SW¼SE¼ &

Section 27: NE¼NE¼SE¼, NE¼NE¼NW¼, N½NE¼, SE¼NE¼, N½SW¼NE¼, SE¼SW¼NE¼ & Section 36: N½NE¼, N½NW¼, SE¼NW¼, NE¼SW¼NW¼, NE¼NE¼SW¼

Applicant proposes to inject produced salt water fluids and Mission Canyon source water from said field into the stratigraphic equivalent of the following zones in the South Pine 24-14A well located in Section 14, T11N-R57E, Wibaux County, Montana: Silurian Interlake – 8440 feet to 8811 feet, Ordovician Stony Mountain – 8811 feet to 8974 feet, and Ordovician Red River – 8974 feet to 9374 feet. An aquifer exemption will not be requested as part of the application because the proposed injection zone contains water with greater than 10,000 ppm total dissolved solids.

Docket No. 157-2000

#### APPLICANT: ENCORE OPERATING, L.P. – FALLON COUNTY, MONTANA

Upon the application of **ENCORE OPERATING, L.P.** for a Class II Area Injection permit for the Cabin Creek Unit which covers the following described lands in Fallon County, Montana.

#### T10N-R58E

Section 7: All;

Section 17: All:

Section 19: NE¼NE¼NE¼;

Section 27: SW1/4, W1/2NW1/4;

Section 32: E½NE¼NE¼;

Section 34: W½ & SW¼NE¼, W½SE¼;

Section 9: W1/2SW1/4;

Section 22: W1/2SW1/4SW1/4;

Section 28: NE¼SW¼, W½SE¼, SE¼SE¼ & S½SW¼, NW¼SW¼ & NE¼SE¼ & N½; Section 18: NE¼ & NW¼SE¼, E½SW¼SE¼ & E½SE¼ & NE¼NW¼, NW¼SE¼NW¼, E½SE¼NW¼, NE¼NE¼SW¼, E½ of Lot 1;

Section 21: S½, S½NW¼, NW¼NW¼ & NE¼NW¼, SW¼NE¼, W½ NW¼NE¼, SE¼NW¼NE¼, W½SE¼NE¼, SE¼SE¼NE¼;

Section 29: NE1/4, E1/2SE1/4, E1/2NW1/4SE1/4, NE1/4NE1/4NW1/4;

Section 33: N½NW¼, SE¼NW¼, E½SW¼NW¼, NW¼SW¼NW¼, NE¼NW¼SW¼, NE¼SW¼, E½SE¼SW¼, E½ :

Section 6: Lot 3, Lot 4, SE¼NW¼, SW¼NE¼, SE¼ & Lot 5, Lot 6, Lot 7, E½SW¼ & SW¼ of Lot 1, Lot 2, SE¼ NE¼;

Section 8: NW¼SE¼ & S½SE¼ & W½NW¼NE¼, SW¼NE¼, SW¼SE¼NE¼, NE¼SE¼, W½; Section 20: NW¼NW¼, E½SW¼NW¼, E½ NW¼, NE¼SW¼, E½SE¼SW¼ & E½;

Section 16: W½W½, SW¼SE¼NW¼, W½E½SW¼, NE¼SE¼SW¼, SE¼SE¼SW¼, SE¼NE¼SW¼; Section 5: SW¼SW¼SE¼, S½SW¼, NW¼SW¼, SW¼NE¼SW¼, SW¼SW¼NW¼.

#### T10N-R57E

Section 12: E½NE¼SE¼ & E½NE¼NE¼ & E½SE¼NE¼ & NE¼SE¼SE¼;
Section 1: Lot 1, SE¼ of Lot 2, NE¼SW¼NE¼, SE¼NE¼, E½NE¼SE¼, NW¼NE¼SE¼, E½SE¼SE¼;

#### T9N-R58E

Section 4: E½NE¼SE¼ & Lot 1, SE¼NE¼, NE¼SW¼NE¼, E½ of Lot 2, NW¼ of Lot 2; Section 3: Lot 2, Lot 3, Lot 4, S½N½, S½; Section 10: NE¼NW¼, E½NW¼NW¼, N½SE¼NW¼, SE¼SE¼NW¼ & NE¼

T11N-R57E

Section 36: S½NE¼, N½SE¼, SE¼SE¼, NE¼SW¼SE¼

#### T11N-R58E

Section 31: Lot 1, W½E½NW¼, W½NE¼SW¼, SW¼SW¼SE¼, Lot 2, Lot 3, Lot 4, SE¼SW¼

The fluids to be injected will be produced field salt water fluids and Mission Canyon source water. The zone in which injection will occur is the stratigraphic equivalent of the following zones in the Cabin Creek 41X-29A well located in Section 29, T10N-R58E, Fallon County, Montana: Silurian Interlake – 8262 feet to 8559 feet, Ordovician Stony Mountain – 8559 feet to 8721 feet, and Ordovician Red River – 8721 feet to 9121 feet. An aquifer exemption will not be requested as part of the application since the proposed injection zone contains water with greater than 10,000 ppm total dissolved solids.

Docket No. 158-2000

#### APPLICANT: KEESUN CORP. - TOOLE COUNTY, MONTANA

Upon the application of **KEESUN CORP.** to amend the Prairie Dell Field rules applicable to Section 26, T34N-R1W, Toole County, Montana, to authorize Keesun Corp. to drill and produce four wells per zone, formation or horizon from the surface of the earth to the top of the Rierdon Formation in said Section 26.

Docket No. 159-2000

#### APPLICANT: WJW OPERATING CO., LLC - ROOSEVELT COUNTY, MONTANA

Upon the application of **WJW OPERATING CO., LLC** to designate the N½ of Section 31, T29N-R58E, Roosevelt County, Montana, as a permanent spacing unit for the Nisku Formation and to designate the Rudolph #2-31 well as the permitted well within said permanent spacing unit.

Docket No. 160-2000

APPLICANT: OCEAN ENERGY RESOURCES, INC. - HILL COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an Eagle-Virgelle Formation gas well at a location 1200 FEL and 1200 FSL of Section 34, T32N-R14E, Hill County, Montana, with a 150 foot tolerance in any direction for topographic and/or geologic reasons as an exception to the Tiger Ridge Field rules established by Board Orders 10-70 and 45-78.

Docket No. 161-2000

#### APPLICANT: OCEAN ENERGY RESOURCES, INC. - HILL COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an Eagle-Virgelle Formation gas well at a location 1000 FEL and 1000 FNL of Section 20, T32N-R17E, Hill County, Montana, with a 150 foot tolerance in any direction for topographic and/or geologic reasons as an exception to the Tiger Ridge Field rules.

Docket No. 162-2000

#### APPLICANT: OCEAN ENERGY RESOURCES, INC. - HILL COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an Eagle-Virgelle Formation gas well at a location 1000 FWL and 2100 FSL of Section 20, T32N-R17E, Hill County, Montana, with a 150 foot tolerance in any direction for topographic and/or geologic reasons as an exception to the Tiger Ridge Field rules, which limit the number of Eagle-Virgelle wells in said Section.

Docket No. 163-2000 and 5-2000 FED

#### APPLICANT: OCEAN ENERGY RESOURCES, INC. - HILL COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an Eagle Sand Formation gas well at a location 2100 FWL and 400 FNL of Section 29, T30N-R15E, Hill County, Montana, as an exception to Board Order 10-70 and BLM Order 3-90 FED.

Docket No. 164-2000

#### APPLICANT: OCEAN ENERGY RESOURCES, INC. - BLAINE COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an additional Eagle Sand Formation well at a location 660 FNL and 800 FEL of Section 5, T27N-R19E, Blaine County, Montana, with a 150 foot tolerance in any direction for topographic and/or geologic reasons as an exception to the Sawtooth Mountain Field rules established by Board Orders 45-76 and 65-85.

Docket No. 165-2000

#### APPLICANT: OCEAN ENERGY RESOURCES, INC. - BLAINE COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an additional Eagle Sand Formation gas well at a location 990 FNL and 660 FEL of Section 14, T27N-R18E, Blaine County, Montana, with a 150 foot tolerance in any direction for topographic and/or geologic reasons as an exception to the Sawtooth Mountain Field rules established by Board Orders 45-76 and 22-99.

Docket No. 166-2000

#### APPLICANT: OCEAN ENERGY RESOURCES, INC. - CHOUTEAU COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an additional Eagle-Virgelle Formation gas well at a location 1350 FWL and 1000 FNL in the N½ of Section 21, T27N-R16E, Chouteau County, Montana, with a 150 foot tolerance in any direction for topographic and/or geologic reasons as an exception to the Bullwacker Field rules established by Board Orders 26-74 and 98-2000.

Docket No. 167-2000

#### APPLICANT: OCEAN ENERGY RESOURCES, INC. - CHOUTEAU COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an additional Eagle-Virgelle Formation gas well at a location 1980 FEL and 2450 FSL in the E½ of Section 25, T27N-R15E, Chouteau County, Montana, with a 150 foot tolerance in any direction for topographic and/or geologic reasons as an exception to the Bullwacker Field rules established by Board Orders 26-74 and 5-2000.

Docket No. 168-2000

# APPLICANT: OCEAN ENERGY RESOURCES, INC. - CHOUTEAU COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an additional Eagle-Virgelle Formation gas well at a location 1350 FNL and 2300 FEL in the N½ of Section 26, T27N-R15E, Chouteau County, Montana, with a 200 foot tolerance in any direction for topographic and/or geologic reasons as an exception to the Bullwacker Field rules established by Board Order 26-74.

Docket No. 169-2000

# APPLICANT: OCEAN ENERGY RESOURCES, INC. - CHOUTEAU COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an additional Eagle-Virgelle Formation gas well at a location 990 FWL and 990 FSL in the S½ of Section 26, T27N-R15E, Chouteau County, Montana, with a 200 foot tolerance in any direction for topographic and/or geologic reasons as an exception to the Bullwacker Field rules established by Board Order 26-74.

Docket No. 170-2000

# APPLICANT: OCEAN ENERGY RESOURCES, INC. - CHOUTEAU COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an additional Eagle-Virgelle Formation gas well at a location 1300 FEL and 660 FNL in the  $N\frac{1}{2}$  of Section 30, T27N-R16E, Chouteau County, Montana, with a 200 foot tolerance in any direction for topographic and/or geologic reasons as an exception to the Bullwacker Field rules established by Board Order 26-74.

Docket No. 171-2000

#### APPLICANT: OCEAN ENERGY RESOURCES, INC. - CHOUTEAU COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES**, **INC.** to drill an additional Eagle-Virgelle Formation gas well at a location 2280 FEL and 2124 FSL in the S½ of Section 30, T27N-R16E, Chouteau County, Montana,

with a 200 foot tolerance in any direction for topographic and/or geologic reasons as an exception to the Bullwacker Field rules established by Board Order 26-74.

Docket No. 172-2000

#### APPLICANT: OCEAN ENERGY RESOURCES, INC. - BLAINE COUNTY, MONTANA

Upon the application of **OCEAN ENERGY RESOURCES, INC.** to drill an additional Eagle Formation gas well at a location 2000 FNL and 1000 FEL in Section 7, T25N-R18E, Blaine County, Montana, with a 150 foot tolerance in any direction for topographic and/or geologic reasons as an exception to ARM 36.22.702.

Docket No. 173-2000

#### APPLICANT: COLUMBUS ENERGY CORP. - RICHLAND COUNTY, MONTANA

Upon the application of **COLUMBUS ENERGY CORP.** to recomplete its Curtis Hunter A-1 well in the Ratcliffe/Mission Canyon Formations as the second producing oil well in said formations in the statewide spacing unit consisting of the SE¼ of Section 14, T25N-R58E, Richland County, Montana.

Docket No. 174-2000

#### APPLICANT: COLUMBUS ENERGY CORP. - RICHLAND COUNTY, MONTANA

Upon the application of **COLUMBUS ENERGY CORP.** to amend the Mondak West Field rules to designate the S½ of Section 1, T22N-R59E, Richland County, Montana, as a 320 acre permanent spacing unit for the Bakken, Duperow, and Stony Mountain Formations and to designate the Lien #2 well as the permitted well for said formations in the S½ of said Section 1. Applicant also requests permission to commingle production from said formations with Madison production in the permitted well in said spacing unit.

Docket No. 175-2000

#### APPLICANT: BEVERLY A. HOEHN RIEBE - BLAINE COUNTY, MONTANA

Upon the application of **BEVERLY A. HOEHN RIEBE** to designate the SE¼ of Section 23, T34N-R17E, Blaine County, Montana, as a 160 acre permanent spacing unit for the production of Eagle Formation gas.

Docket No. 176-2000 and 6-2000 FED

#### APPLICANT: SAMEDAN OIL CORPORATION - PHILLIPS COUNTY, MONTANA

Upon the application of **SAMEDAN OIL CORPORATION** to amend the Whitewater Field rules with respect to those lands lying within the Whitewater Unit boundaries to include the Niobrara Formation and to authorize Niobrara reserves to be produced from wells drilled or to be drilled at locations previously authorized by Board Orders 41-82, 14-89, 15-89, 15-91 and 6-92, and to collectively designate the Niobrara, Bowdoin, Greenhorn and Phillips Formations as the "Upper Colorado Group." Applicant also requests such order be made retroactive to the date of the first Niobrara completion or recompletion within the Whitewater Unit.

### Docket No. 93-2000 Continued from August 31, 2000

#### APPLICANT: SAGEBRUSH PETROLEUM, INC. - FALLON COUNTY, MONTANA

Upon the application of **SAGEBRUSH PETROLEUM, INC.** to vacate the Plevna Field rules established by Board Orders 34-54 and 4-57 and to establish 160 acre permanent spacing units consisting of regular governmental quarter sections for the Judith River/Eagle Formations underlying the following described lands in Fallon County, Montana:

T5N-R59E

All of Sections 1, 2, 3, 11, 12, 13 and 24

T5N-R60E

All of Sections 5, 6, 7, 8, 16, 17, 18, 19, 20, 21, 22, 27, 28, 29, 30, 31, 32 and 33

T6N-R59E

All of Sections 25, 26, 27, 34, 35 and 36

T6N-R60E

All of Sections 30 and 31.

Applicant requests that wells be located a minimum of 660 feet from the external boundaries of each spacing unit with a 75 foot tolerance for topographic reasons. Applicant further requests that its Hanson #20-16 well and its Thoms #28-16 well be designated as the permitted wells for the SE¼ of Section 20, T5N-R60E and the SE¼ of Section 28, T5N-R60E respectively.

Docket No. 124-2000 Continued from August 31, 2000

# APPLICANT: POWDER RIVER GAS, L.L.C. - POWDER RIVER COUNTY, MONTANA

Upon the application of **POWDER RIVER GAS, L.L.C.** to designate the SW¼ of Section 16, T4S-R48E, Powder River County, Montana, as a temporary spacing unit to drill up to five wells to the Fort Union Formation as a pilot project to test the coal bed methane potential, said wells to be located not closer than 330 feet to another well and not closer than 220 feet to the exterior boundaries of the spacing unit. All coal bed methane drilling permits are presently on hold as a result of pending litigation. If this application is approved, it will not be effective until that litigation is resolved.

Docket No. 125-2000 Continued from August 31, 2000

#### APPLICANT: POWDER RIVER GAS, L.L.C. - POWDER RIVER COUNTY, MONTANA

Upon the application of **POWDER RIVER GAS**, **L.L.C.** to designate the NE½ of Section 36, T3S-R47E, Powder River County, Montana, as a temporary spacing unit to drill up to five wells to the Fort Union Formation as a pilot project to test the coal bed methane potential, said wells to be located not closer than 330 feet to another well and not closer than 220 feet to the exterior boundaries of the spacing unit. All coal bed methane drilling permits are presently on hold as a result of pending litigation. If this application is approved, it will not be effective until that litigation is resolved.

Docket No. 126-2000

#### Continued from August 31, 2000

#### APPLICANT: POWDER RIVER GAS, L.L.C. - POWDER RIVER COUNTY, MONTANA

Upon the application of **POWDER RIVER GAS, L.L.C.** to designate the NE¼ of Section 36, T4S-R47E, Powder River County, Montana, as a temporary spacing unit to drill up to five wells to the Fort Union Formation as a pilot project to test the coal bed methane potential, said wells to be located not closer than 330 feet to another well and not closer than 220 feet to the exterior boundaries of the spacing unit. All coal bed methane drilling permits are presently on hold as a result of pending litigation. If this application is approved, it will not be effective until that litigation is resolved.

Docket No. 137-2000 Continued from August 31, 2000

#### APPLICANT: ENCORE OPERATING, L.P. - WIBAUX COUNTY, MONTANA

Upon the application of **ENCORE OPERATING, L.P.** to convert its South Pine #11-32 well located in Section 32, T12N-R57E, Wibaux County, Montana, to water injection. Applicant proposes to inject water into the Interlake, Stony Mountain, and Red River Formations. The source of the injected fluids will be produced saltwater fluids from the South Pine Field.

Docket No. 138-2000 Continued from August 31, 2000

#### APPLICANT: ENCORE OPERATING, L.P. – FALLON COUNTY, MONTANA

Upon the application of **ENCORE OPERATING, L.P.** to convert its Cabin Creek #44-07 well in Section 7, T10N-R58E, Fallon County, Montana, to an injection well. The source of the injected fluids will be produced saltwater fluids and Mission Canyon source water from the Cabin Creek Field. The proposed injection zones are the Red River and Interlake.

DOCKET NO. 142-2000 ORDER TO SHOW CAUSE Continued from August 31, 2000

#### RESPONDENT: ROCKY MOUNTAIN OPERATING COMPANY - BIG HORN COUNTY, MONTANA

Upon the Board's own order requiring **ROCKY MOUNTAIN OPERATING COMPANY** to appear and show cause why the Board should not act to correct Rocky Mountain Operating Company's yearly spills from its four producing oil wells from the Tensleep Sandstone in Snyder Creek Field, Big Horn County, Montana.

BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA

Terri Perrigo, Executive Secretary